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Lean House budget brings major cuts to Legal Aid

Tom Loftus and Deborah Yetter *Sunday, February 23, 2003*

The no-tax, no-projects budget passed by the House last week leaves major funding holes in some programs, particularly those for state prisoners seeking education or training and Legal Aid for the poor.

Kentucky cities also would lose money they have received since 1978 as compensation for losing local court revenues when the unified state court system was created.

Gov. Paul Patton, who proposed a tax increase that was shunned by the House and now supports expanded gambling to raise revenues, said Friday he sees problems with the House's lean budget.

"We're still not comfortable with the corrections budget. Eliminating the educational programs (for prisoners) is something that should not be done," he said. "That would be my biggest single concern right now."

Mayors, advocates for legal services for the poor and others are pleading their case to the Senate, which is still working on a budget. Sen. Richie Sanders, chairman of the Senate budget committee, said his panel is considering the complaints.

"All of these things are on our list," Sanders said. But he gave no hint as to whether his committee would find more money for those areas when it takes up the budget on Tuesday.

Legal Aid

State funds for Legal Aid would be cut about 11 percent in the budget, shocking supporters of the program for legal services for the poor who said they hoped they would be spared any cuts in their appropriation of about \$1.5 million a year.

"It sounds pretty grim," said John Rosenberg, who helped found the Appalachian Research and Defense Fund, or Appalred, and retired as its director in 2001. Appalred serves some of the poorest counties in Eastern Kentucky.

In the House budget, Legal Aid would be cut \$184,000 this fiscal year and \$150,000 in the fiscal year that begins July 1.

Legal Aid's four programs in Kentucky - in Louisville, Lexington, Northern Kentucky and Western Kentucky - already have begun closing offices and laying off staff because

of \$1.6 million in cuts, mostly from federal funds, in their combined budgets of about \$12 million per year.

"I can't imagine having to lay off more staff and turn away more clients," said Jamie Hamon, executive director of the Access to Justice Foundation, a statewide poverty law center based in Lexington.

Legal Aid helps poor clients with civil matters, including predatory lending, home foreclosure, evictions, domestic violence and other legal problems of the elderly and disabled.

Some legislators said they weren't aware Legal Aid was cut so much in House budget.

"They can't afford it," said Kathy Stein, D-Lexington and a former Legal Aid lawyer. "They've been having a tough enough time as it is."

But Rep. Jesse Crenshaw, D-Lexington and chairman of the budget subcommittee that oversees funding for programs including Legal Aid, said supporters shouldn't be surprised.

"Everybody's taking cuts. We have a state budget shortfall of millions of dollars," he said. "We've tried to be as fair to everyone as we could."

Crenshaw said a pending bill might help restore some funds for Legal Aid. Rep. Charles Geveden, DWickliffe, is sponsoring a bill that would double the portion of a court filing fee that goes to Legal Aid.

House Bill 163 would raise about \$1.4 million a year for Legal Aid by increasing its portion of district court filing fees to \$10 from \$5, and in circuit court to \$20 from \$10. Filing fees are paid by people when they file lawsuits, and a portion of the fee goes to Legal Aid.

The bill could be voted on by the House as soon as tomorrow, Geveden said Friday.

But Geveden's bill was aimed at helping Legal Aid make up for federal cuts - not additional state cuts. And Legal Aid supporters say there's no guarantee the bill will pass this session

Sen. Robert Stivers, R-Manchester and chairman of the Senate Judiciary Committee, said he's aware of the cuts to Legal Aid and plans to look into them.

"We're looking at the budget in total and areas where we might be able to find some money and areas that might be restored," Stivers said. He said it was too early to say whether the Senate could restore Legal Aid funds but said, "It's on the list."

Funding for cities

The budget also eliminates an obscure payment to local governments known as "base court revenues."

Since 1978 the state has been reimbursing cities - and a handful of counties - for local revenue they lost that year when the old city police courts and county courts were replaced with the new unified system of district and circuit courts.

But the state will stop sending out those checks under the House budget.

"It hurts cities in varying degrees. To some little cities like West Point the loss is very significant," said Sylvia Lovely, executive director of the Kentucky League of Cities. "And it comes at a very bad time because cities are facing tight budget times, too. On top of the problems with the economy, we now have to cope with ice storms."

Many cities use the money to supplement police department budgets. That's the case with Shively, which gets \$99,109 each year from the program.

"If we lose this money we'll probably have to cut a couple police officers," said Shively Mayor Jim Jenkins, whose police department now employs 23 full-time and five parttime officers. "There's no fluff in our police department, so I see no alternative to cutting officers."

Louisville stands to lose \$646,546 a year, according to figures released by the Kentucky League of Cities.

Jim McGovern, senior assistant to Metro Mayor Jerry Abramson, said: "We've been told that we'll get part of this back because the money cut here was moved to help support county jails that hold state prisoners. But we don't hold state prisoners on a long-term basis, so we believe we're looking at a \$600,000 hit."

Besides Louisville and Shively, 47 other Jefferson County cities will lose base court revenues, ranging from Anchorage (\$36,786) to Hurstbourne (\$1.67).